

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Division regarding a medical fee dispute between the requestor and the respondent named above. This dispute was received on 12/15/03.

## **I. DISPUTE**

Whether there should be reimbursement for date of service 8/7/03, CPT codes, E0748 and 20974.

## **II. RATIONALE**

The services in dispute were denied as, "M-No MAR" and "G-Unbundling."

The Requestors position statement dated 12/30/03, states "We billed fair and reasonable according to the TWCC Medical Fee Guidelines. To increase the chance of a successful fusion, an external bone growth stimulator (E0748) was recommended. Also, we billed code 20974 for the fitting for the external bone growth stimulator. This code is not global. We billed according to the MAR value."

The Carriers response, dated 12/30/03 states, "The carrier reimbursed the medical and surgical supply the fair and reasonable reimbursement for E0748, the bone growth stimulator. For code 20974, the procedure is included in the cost of the bone growth stimulator."

Commission Rule 134.202 (b), Medical Fee Guideline, effective 8/1/03, states that, "For coding, billing, reporting, and reimbursement of professional medical services, Texas Workers Compensation system participants shall apply the Medicare program reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies in effect on the date a services is provided with any additions or exceptions in this section." To determine the maximum allowable reimbursement (MAR) for professional services system participants shall apply the Medicare payment policies with the following minimal modifications: Rule 134.202 (c) (1) states, "For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Surgery, Radiology, and Pathology. The conversion factor to be used for determining reimbursement in the Texas workers' compensation system is the effective conversion factor adopted by Centers for Medicare and Medicaid Services multiplied by 125%. For Anesthesiology services, the same conversion factor shall be used." Section (c)(2)(A) states, "For Healthcare Common Procedure Coding System (HCPCS) Level II codes, A, E, J, K, and L: 125% of the fee listed for the code in the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) fee schedule." Also, per Medicare Coverage Issues Manual (CIM) 35-48, states in part, "The noninvasive stimulator device is covered for the following indications: As an adjunct to spinal fusion surgery for patients at high risk of pseudoarthrosis due to previously failed spinal fusion at the same site or for those undergoing multiple level fusion." Therefore, reimbursement is recommended in the amount of \$1,351.38

MDR: M4-04-4443-01

Reimbursement Methodology:

(Code E0748)  $\$3,504.35$  (Medicare allowable)  $\times$  125% (conversion factor) =  $\$4,380.44$   
 $\$4380.44 - \$3,080.00$  (payment received) =  $\$1,300.44$

(Code 20974)  $\$40.75$  (Medicare allowable)  $\times$  125% (conversion factor) =  $\$50.94$

### **III. DECISION & ORDER**

Based upon the review of the disputed healthcare services within this request, the Division has determined that the requestor is entitled to reimbursement in the amount of \$ 1,351.38. Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Division hereby ORDERS the Respondent to remit \$1,351.38 plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this Order.

The above Findings, Decision and Order are hereby issued this 31st day of March 2004.

Terri Chance  
Medical Dispute Resolution Officer  
Medical Review Division

TC/tc